

Virginia Racing Commission

MINUTES

OF THE

COMMISSION MEETING

March 19, 2008

**HORSEMEN'S BUILDING
COLONIAL DOWNS
10700 HORSEMEN'S ROAD
NEW KENT, VA**

In Attendance

Commission Members:

Peter C. Burnett, Chairman
Mark Brown, Vice Chairman
William H. (Trip) Ferguson
I. Clinton Miller
David C. Reynolds

Commission Staff:

Stanley K. Bowker, Executive Secretary
Kimberly M. Carter, Office Administrator
C. Richard Harden, DVM, Commission Veterinarian
David Lermond, Jr., Director of Pari-mutuels
Marvin A. Sniegon, Director of Financial Management & Planning
Dennis E. West, Director of Operations

Attorney General's Office:

Amy K. Dilworth

At 10:15 a.m., Chairman Burnett called the regular monthly meeting of the Commission to order.

The minutes of the February 27, 2008 meeting were approved.

Chairman Burnett reported on the Safety and Welfare of the Racehorse Summit held in Lexington, KY earlier that week.

Commissioner Reynolds reported that the Marketing and Promotion Committee had reviewed a number of requests for small grants with the following recommendations:

1. Colonial Downs—Virginia Derby Awareness

This is a 50/50 match with Colonial Downs to increase awareness of the \$750,000 Virginia Derby. Total cost is \$50,000 and has two components.

The first involves Val-Pak and Style Weekly and encompasses several direct mailings. The second component involves a Virginia Derby 4-Page tabloid insert to run in Style Weekly in Richmond, Norfolk/Virginia Beach and Charlottesville.

Total cost \$50,000-- \$25,000 from the Commission's marketing budget.

Commissioner Reynolds moved approval of the request on the following basis—Total costs to the Commission shall not exceed \$25,000, to receive payment Colonial Downs to provide detailed copies of all bills associated with this request and that the Racing Commission receive appropriate recognition for assisting in the sponsorship of this program.

The motion was seconded and unanimously approved.

2. Nick Hahn—Virginia Racehorse Network

In 2007 “Off to the Races” was a weekly one-hour radio show that aired on eight stations in Virginia on Saturdays.

For 2008, Nick Hahn proposes a 22-week series with three special broadcasts. The series would debut on Saturday, April 5 and continue through August 30 and would include the Triple Crown races. In addition the network will provide a live broadcast of the Virginia Derby.

Total cost \$27,400--\$15,000 from the Commission's marketing budget.

Commissioner Reynolds moved approval of the \$15,000 request from the Virginia Racehorse Network with the following conditions—Total cost to the Commission shall not exceed \$15,000, to receive payment the Virginia Racehorse Network is to provide detailed copies of invoices associated with this program, some recognition is to be given in each program on equine activities other than horse racing and that we make it clear that money for continued support of the network must come from other sources in future years.

The motion was seconded and unanimously approved.

3. VTA/VHBPA—New Owners Seminars

The Virginia Thoroughbred Association and the Virginia HBPA are considering ways to offer seminars for prospective new owners. Because a plan has not been fully developed, the committee has declined to recommend funding for this endeavor at this time. However it has been suggested that 1-2 seminars for new owners be fully developed and the committee will consider a request for funding when completed.

4. VTA—Virginia-bred Awards Day, June 14, 2008

This is the third year that the VTA has conducted its annual awards program at Colonial Downs. It exposes the general public and media to the major accomplishments of Virginia-bred horses. The actual awards are presented in the winner's circle between races.

Total costs \$10,000--\$10,000 from the Commission's marketing budget.

Commissioner Reynolds moved approval of the \$10,000 for the Virginia-bred Awards day with the following conditions: Total cost to the Commission shall not exceed \$10,000, to receive payment, VTA shall provide detailed copies of invoices in support of this program, the Commission is to receive appropriate recognition for its contribution to the program and that VTA is informed that this is the final year that the Commission will financially support the awards day program. The Committee wants to support programs benefiting the breeding industry but believes that if a program is worthwhile and beneficial, it needs to move toward standing on its own.

The motion was seconded and unanimously approved.

5. VTA—Additional Marketing Proposals

The VTA has four proposals in this category. Virginia Thoroughbred Week, 35th Anniversary of Secretariat's Triple Crown and Virginia Breeders Funds Yearling Futurity are not being recommended for consideration at his time as they need additional development work.

Very Virginia Day highlights Virginia products with an emphasis on horses and agriculture. It was held at Colonial Downs last year. It was late in getting organized last year and it is hoped that the experience last year will make it a much better event in 2008.

Total costs Unknown--Request is for \$3,000 for promotional items.

Commissioner Reynolds moved approval of the request for \$3,000 with the following conditions: total cost to the Commission shall not exceed \$3,000, to receive payment the VTA is to provide detailed copies of invoices for the purchases and the Commission is to receive appropriate recognition for its contribution to the program.

The motion was seconded and unanimously approved.

6. VTA—Breeders' Fund Advertising Campaign/Owner Bonuses

The Commission at its February meeting approved an owner bonus of 100% for Virginia-bred horses that finish 1-6 in open races during the upcoming Colonial Downs' meet. To help market the program to the owners of Virginia-breds throughout the nation, VTA has proposed a \$23,000 advertising campaign.

While very supportive of this effort, the Committee is recommending an \$11,500 campaign consisting of the following:

- a. \$2,500 Full page ad in The Blood-Horse magazine
- b. \$3,000 Jr. full-page ad in the Thoroughbred Times on a different week than the ad running in The Blood-Horse.
- c. \$2,500 Internet ad buttons on Blood-Horse.com
- d. \$3,500 Posters and brochures for auctions

Total costs \$11,500—All from the Commission’s marketing budget.

Commissioner Reynolds moved approval of the \$11,500 campaign with the following conditions: total cost to the Commission shall not exceed \$11,500, to receive payment the VTA to provide detailed copies of invoices for the purchases and the Commission to receive appropriate recognition for its contribution to the program.

The motion was seconded and unanimously approved.

Finally the Committee requested \$2,000 to host the area’s business and civic leaders for a day at the races at Colonial Downs. The date will be Saturday, June 28. Commissioner Reynolds moved approval of the request. It was seconded and unanimously approved.

On behalf of the Thoroughbred Breeders’ Fund Subcommittee, Commissioner Ferguson moved approval for a revision to rule 11 VAC 10-130-60.3C to increase the maximum payout for any single race from \$10,000 to \$25,000. It was seconded and unanimously approved.

Mr. Bowker reviewed the proposed changes to in Chapter 180 (Medication). The primary changes involved the regulations and penalties for the use of anabolic steroids. It was moved, seconded and the revised rules were unanimously approved.

To assist horsemen in meeting the requirements of the anabolic steroids rules, Mr. Bowker asked the Commission to approve pre-race testing so horsemen can determine if steroids were still in a horse’s system prior to entering. It was moved, seconded and pre-race testing was unanimously approved. Mr. Bowker and Dr. Harden were instructed to work with the horsemen in working out the details.

Acting on the recommendation from Mr. Bowker, the Commission approved Colonial Downs’ April simulcasting schedule.

Acting on the recommendation of Mr. Bowker, the Commission approved Mr. Bowker, Jean Chalk, and Philip Grove as the Thoroughbred Stewards for 2008. In addition, William Passmore, Richard Kinsey, Adam Campola and David Lermond were approved as Alternate Stewards.

Mr. Bowker advised the Commission on the status of several legislative bills as well as the budget enacted by the General Assembly.

Iain Woolnough, General Manager of Colonial Downs, provided an update on plans for the 2008 Thoroughbred racing season.

During the discussion of the Extension of Agreement between Colonial Downs and Virginia HBPA, the Commission decided that if an agreement is not in place by April 4, 2008, that each should send a statement of their position to the Commission and it would be up to the Commission to decide on the agreement.

The next meeting was set for April 16, 2008.

Chairman Burnett announced that the Commission would be spending the remainder of the day in a closed meeting involving personnel matters. He then made the following motion:

“In accordance with the provisions of Section 2.2-3711 (A)(1) of the Code of Virginia, I move that the Commission go into closed meeting for the purpose of discussion or consideration of the assignment, appointment, performance or salary of specific employees of the Commission.”

The motion was seconded and was unanimously approved.

Coming out of closed meeting, Chairman Burnett offered the following motion:

“Whereas, the Virginia Racing Commission has convened a closed meeting on this date pursuant to an affirmative recorded vote in accordance with the provisions of The Virginia Freedom of Information Act; and whereas, Section 2.2-3712 of the Code of Virginia requires a certification by this Commission that such closed meeting was conducted in conformity with Virginia law;

“Now, therefore, be it resolved, that the Virginia Racing Commission certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Commission in the closed meeting.”

The motion was seconded and the vote was as follows: Brown, aye; Ferguson, aye; Reynolds, aye; Miller, aye; and Chairman Burnett, aye.

There being no further business, the monthly meeting was adjourned.